

St. Louis City Ordinance 62389

FLOOR SUBSTITUTE

BOARD BILL NO. [91] 154

INTRODUCED BY ALDERMAN PHYLLIS YOUNG

An ordinance recommended by the Board of Estimate and Apportionment pertaining to Union Market; approving and directing the execution of a standstill agreement with respect to a certain lease agreement between the City of St. Louis and Union Market Associates dated July 12, 1983.

WHEREAS, the City of St. Louis ("City") owns certain land and improvements commonly known as Union Market which is located in the downtown district and is in close proximity to Cervantes Convention Center, site of the proposed stadium and the site of the proposed convention center hotel; and

WHEREAS, on July 12, 1983 the City and Lipton Associates (a/k/a Union Market Associates) ("Tenant") entered into a long-term lease that consists of an initial term of fifty (50) years and a series of five (5) option periods of five (5) years each ("Lease Agreement"); and

WHEREAS, following the execution of the Lease Agreement and renovation of Union Market, efforts by the Tenant to encourage the commercial development of the entire premises were unsuccessful and the property has operated at a deficit of expenditures over revenue; and

WHEREAS, the Tenant has paid all accrued rent through March 31, 1989 but has not made rental payments from and after that date; and

WHEREAS, the Comptroller of the City of St. Louis by letter from its counsel dated April 4, 1991 has notified the Tenant of its default under the Lease and by letter dated May 20, 1991 has suspended the running of the cure period under the Lease until July 19, 1991 to allow the consideration of an amendment to the Lease by the Board of Alderman; and

WHEREAS, the Board of Aldermen have determined that deferral of consideration of an amendment to the Lease until the fall of 1991 is in the best interest of the City and its citizens.

BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:

Section One. The Board of Aldermen of the City of St. Louis hereby approves the execution of a standstill agreement in substantially the form attached hereto, providing for continuation of the suspension of the running of the cure period under the Lease to and until December 1, 1991.

Section Two. The Comptroller of the City of St. Louis is hereby directed to execute the standstill agreement in substantially the form attached hereto.

Section Three. This being an ordinance for the preservation of public peace, health and safety, it is hereby declared to be an emergency measure within the meaning of Sections 19 and 20 of Article IV of the Charter of the City of St. Louis and shall become effective immediately upon its passage and approval by the Mayor.

STANDSTILL AGREEMENT

This Standstill Agreement dated as of the _____ day of _____, 1991 between the City of St. Louis, a municipal corporation of the State of Missouri (the "City") and Union Market Associates (formerly known as Lipton Associates), a Missouri partnership (the "Tenant").

WITNESSETH

WHEREAS, the City and Tenant previously entered into a certain lease agreement dated July 12, 1983 (the "Lease"); and

WHEREAS, the Tenant is in default of the Lease for failure to pay certain rental due thereunder; and

WHEREAS, the Comptroller of the City has notified Tenant of its default under the Lease by letter dated April 4, 1991; and

WHEREAS, the Comptroller of the City has also suspended the running of the cure period of the Lease until July 19, 1991 in order to afford the Board of Aldermen of the City an opportunity to amend the Lease.

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Subject to the continued satisfaction of the conditions contained in Section 3 hereof, the cure period for nonpayment of rent shall be continued under the Lease to and including December 1, 1991 (the "standstill period") and, unless

the default under the Lease shall not have been cured prior to that date, the Lease shall then be in default with no further period of cure thereunder.

2. During the standstill period rent under the Lease shall accrue and be payable upon the termination of this Standstill Agreement.

3. It shall be a condition to this Standstill Agreement that, other than the payment of rent now in default or accruing during the standstill period, Tenant shall comply in all respects with the terms of the Lease and no other default shall exist thereunder. In the event that any other default under the Lease shall occur during the standstill period, the standstill period shall immediately terminate and the City shall be entitled to all remedies available to it under the Lease or otherwise.

IN WITNESS WHEREOF, the parties have executed this Standstill Agreement as of the date first above written.

UNION MARKET ASSOCIATES

By:

Don H. Lipton, General Partner

CITY OF ST. LOUIS, a municipal
corporation, State of Missouri

By:

Virvus Jones, Comptroller

APPROVED AS TO FORM:

City Counselor

ATTEST:

City Register

1ST READING	REF TO COMM	COMMITTEE	COMM SUB	COMM AMEND
06/27/91	06/07/91	W&M		
2ND READING	FLOOR AMEND	FLOOR SUB	PERFECTN	PASSAGE
07/12/91			07/19/91	07/19/91
ORDINANCE	VETOED		VETO OVR	
62389				